Opening of branch of State Bank of Patiala

2669. SHRI RAMA SHANKER KAUSHIK: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether State Bank of Patiala had proposal to open its branch at Patpar Ganj, Delhi and an advertisement inviting proposals for accommodation in the area was also published in The Times of India dated the 22nd August, 2002;

(b) if so, what is the present status of acquiring the accommodation togetherwith the reasons for delay therein; and

(c) by when the branch at Patpar Ganj is likely to start functioning?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) State Bank of Patiala has reported that in response to their advertisement, 15 proposals were received. A Zonal level premises Committee was constituted which visited all the sites and finally recommended one at Mother Dairy Road, Patpar Ganj, Delhi.

(c) The branch is likely to start functioning by the end of April, 2003.

New ways and means formula of RBI

2670. SHRI RAMACHANDRA KHUNTIA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Reserve Bank of India has adopted a new ways and means (WMA) formula and overdraft to States;

(b) if so, the details thereof;

(c) the number of occasions when RBI and its agencies stopped payment in respect of a State in case of overdraft in excess of WMA during last three years, State-wise; and

(d) the steps taken to reduce the rate of interest of WMA keeping in view financial position of the State especially poor States like Orissa?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) and (b) Yes, Sir. As per the revised formula, the total normal WMA limits has been enhanced to Rs. 7170 crore from Rs. 6035 crore *w.e.f.* March 3, 2003. The number of days of overdraft has also been extended to 14 consecutive working days from 12 consecutive working days. No State Government will be allowed to be in overdraft for more than 36 working days in a quarter. The rates of interest on normal Ways and Means advance, Special ways and means advance and on overdraft have been revised.

(c) Transactions between a State and the RBI is condcuted as per an agreement between the two. Since disclosure of information of Overdrafts by the States impinges upon the relationship between the banker and the clients (between the RBI and the State Governments), such information is not published/made public by the Government of India.

(d) Rates of interest on Ways and Means Advances is uniform for all states.

Serious Frauds Investigation Office

2671. SHRI MUNAVVAR HASAN: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether a separate office is being set up namely Serious Frauds Investigation Office in Department of Company Affairs;

(b) if so, what will be the terms of reference of this office; and

(c) who will be the head of this office and who will be the appellate Authority?

THE MINISTER OF FINANCE AND COMPANY AFFAIRS (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) It will investigate corporate frauds.

(c) This office will be headed by the Director (SFIO), who will be an officer of level of Joint Secretry/Additional Secretary to the Government of India. The prosecutions will be filed, if necessary, in courts of law, and appeals from decisions of the courts will follow the normal procedure.